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FISCAL IMPACT STATEMENT

LS 7168

BILL NUMBER: HB 1496

NOTE PREPARED: Jan 10, 2011

BILL AMENDED:

SUBJECT: Licensing of Diabetes Educators.

FIRST AUTHOR: Rep. Hinkle

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: ☒ **GENERAL**
☒ **DEDICATED**
☐ **FEDERAL**

IMPACT: State & Local

Summary of Legislation: The bill creates the Diabetes Educator Board (DEB), and provides for the licensure of diabetes educators.

Effective Date: July 1, 2011.

Explanation of State Expenditures: The Professional Licensing Agency (PLA) would require additional expenditures to carry out the bills provisions. The table shows the estimated costs that could be incurred by a five-member board meeting two times per year. (The bill requires the board to meet at least twice a year.)

Expenditure	Estimated Cost
Board Member Compensation*	\$2,590
Packet Preparation	\$500
Postage	\$55
Administrative Costs**	\$700
TOTAL ONE YEAR	\$3,845
*Includes: mileage, per diem/subsistence. Does not include lodging reimbursement. **Includes PLA license processing, staff time with board meetings, printing, and signage.	

The bill does not specify if the members of the DEB would be compensated for their duty. If the members were not compensated for their service, the impact to PLA expenditures would be about \$1,200 per fiscal year.

The bill does not provide an appropriation to cover the costs to implement the DEB. However, existing statutes require all professional boards to generate enough revenue through licensing fees to equal board expenditures.

Explanation of State Revenues: The bill would require the establishment of a fee for licensure. The fee would be determined by the DEB. Fee revenue would be deposited in the state General Fund. The American Association of Diabetes Educators (AAODE) reports a membership of 186 persons in Indiana during 2009. Those persons could be used as a proxy of individuals that may seek licensure.

Assuming approximately 186 persons were licensed, a fee of about \$0.60 would produce enough revenue to breakeven with the estimated expenditures in the above table. However, the actual amount of revenue generated would depend on the number of persons applying for licensure and the fee set by the DEB.

Penalty Provision: A person violating a provision of the bill would commit a Class A misdemeanor. If additional court cases occur and fines are collected, revenue to both the Common School Fund (from fines) and the state General Fund (from court fees) would increase. The maximum fine for a Class A misdemeanor is \$5,000. However, any additional revenue would likely be small.

Explanation of Local Expenditures: *Penalty Provision:* A Class A misdemeanor is punishable by up to one year in jail.

Explanation of Local Revenues: *Penalty Provision:* If additional court actions occur and a guilty verdict is entered, local governments would receive revenue from court fees. However, any change in revenue would likely be small.

State Agencies Affected: Professional Licensing Agency.

Local Agencies Affected: Trial courts, local law enforcement agencies.

Information Sources: Professional Licensing Agency; American Association of Diabetes Educators.

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